



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460**

MAY 23 2000

**ASSISTANT ADMINISTRATOR
FOR ENFORCEMENT AND
COMPLIANCE ASSURANCE**

**Mr. Sam Farace
Manager, PS & CM
Conoco Inc.
600 North Dairyashford
Houston TX 77079**

Dear Mr. Farace:

This is in response to your May 8, 2000 letter to the U.S. Environmental Protection Agency (EPA) in which you request regulatory relief with regard to a batch of gasoline that was produced at your refinery located in Ponca City, Oklahoma. You asked that EPA allow you to distribute this gasoline as reformulated gasoline (RFG) even though the gasoline fails to meet the RFG oxygen standard.

In your letter you provided a summary of laboratory test results for this gasoline. These results show the gasoline in question meets all standards applicable to RFG designated for use in VOC Control Region 1, including the standards for VOC, NOx and toxics emissions performance. However, the gasoline contains 1.08 weight percent (wt%) oxygen, which is less than the minimum oxygen content standard of 1.5 wt%. Your staff told EPA there are about 40,000 barrels of this gasoline at this time.

As you may know, on several occasions this Spring EPA has granted regulatory relief allowing the distribution of conventional gasoline in the St. Louis RFG covered area. This relief was granted because the supplies of RFG in St. Louis were insufficient, resulting primarily from a break in the Explorer Pipeline. The most recent grant of regulatory relief, which extends through June 5, encourages parties during the period of relief to use conventional gasoline in St. Louis and to build up RFG stocks. The intent is that sufficient RFG then will be available during the portion of the high ozone season when the risk of air pollution is greatest, beginning around mid-June.

In light of the ongoing RFG supply and inventory problems in St. Louis, and after consultation with representatives of the State of Missouri, I agree to not enforce the RFG minimum oxygen content standard under § 80.41 for Conoco or other regulated parties that distribute or receive the gasoline described above, under the following conditions:

- This gasoline must be shipped to terminals that supply RFG to the St. Louis covered area.



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2

- This gasoline must be supplied to retail outlets after June 5, 2000.
- Copies of this letter must be provided to the operators of terminals that receive this gasoline, and terminals must provide copies of this letter to distributors who receive this gasoline for 30 days following its receipt at the terminal.

If you have any questions regarding this matter, feel free to call Mr. Richard Ackerman of my staff at (202) 564-1301.

Sincerely


Steven A. Herman

cc: Clark Houghton
Missouri Petroleum Marketers and Convenience Store Operators

Roger Randolph
Missouri Department of Natural Resources